

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7338

BILL NUMBER: HB 1784

DATE PREPARED: Jan 5, 1999

BILL AMENDED:

SUBJECT: Indiana child protection trust license plate.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Bureau of Motor Vehicles (BMV) to issue an Indiana Child Protection Trust License Plate. It requires the additional fee required for the Indiana Child Protection Trust License Plate to be deposited in the Indiana Child Protection Trust Fund and distributed to an organization established to raise funds for various charitable organizations.

Effective Date: January 1, 2000.

Explanation of State Expenditures: Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, would charge the BMV \$2.60 per plate if the newly created plate is not a special recognition plate. Since the newly created license plate is a special recognition plate, PEN Products' charge would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (99-01)*
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

*1999-2001 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$70 per hour charge. Origination Fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will computer and accounting changes for the BMV. The Commissioner of the BMV is to administer the newly

created trust fund. Expenses of administering the fund shall be paid from money in the fund. On June 30 or each year, the Commissioner shall distribute the money in the fund to Crisis Pregnancy Centers, Child adoption agencies, Indiana Citizens for Life, and Indiana Right to Life.

Explanation of State Revenues: Potential revenue from the sales of the Child Protection Trust license plates is not known. There will be an administrative fee of \$12 charged for each plate. Revenue from these plates will be split evenly between the State License Branch Fund which supports the license branches and the Motor Vehicle Highway Account which supports the BMV. Also, there will be a \$25 fee charged for each plate. This revenue is to be deposited into the Indiana Child Protection Trust Fund.

In 1997, sales of the existing 41 special plates ranged from 63 Marine Reserve plates to 100,146 Children's Trust Plates. Within this potential sales range, revenue resulting from the existing \$12 administrative fee ranged from \$378 to \$600,876 per plate. Revenue resulting from the \$25 would range between \$1,575 and \$2,503,650. Money at the end of a state fiscal year does not revert to the State General Fund.

It should be noted that it is possible that sales of this special plates could, to some extent, supplant the sales of the other special plates.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (Pen Products).

Local Agencies Affected:

Information Sources: Bureau of Motor Vehicles; Becky Gillam, Director of Sales and Marketing of PEN Products, 387-2020; Pricing data from Pen Products.